

# HB 754 Implementation Workgroup

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MARYLAND  
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# MDH Oversight of Medicaid Pharmacy Benefit

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- MDH and Managed Care Organization Contracts
- MCO Pharmacy Benefit Managers
- MCO Annual Assessment of Drug Use Management Programs
- Pharmacy Appeals Processes
- Medicaid Help Line Assistance
- Pharmacy Network Adequacy Standards
- MCO Formularies

# MDH and Managed Care Organization (MCO) Contracts

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- Contracts renewed annually
  - Terms cover a calendar year
- Contract requirements regarding Pharmacy mirror what's in COMAR for MCOs
  - COMAR 10.09.67.04 (Benefits – Pharmacy Services)
  - COMAR 10.09.71 (MCO Dispute Resolution Procedures)
- FFS Pharmacy requirements are in COMAR 10.09.03

# MCO Pharmacy Benefit Managers (PBMs)

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Managed Care Organization	Pharmacy Benefit Manager
Aetna Better Health of Maryland	CVS/Caremark
AMERIGROUP Community Care	Express Scripts*
Jai Medical Systems	ProCare RX
Kaiser Permanente	MedImpact
Maryland Physicians Care	Express Scripts
MedStar Family Choice	CVS/Caremark
Priority Partners	CVS/Caremark
UnitedHealthcare	Optimum RX
University of Maryland Health Partners	CVS/Caremark

\*Effective 5/1/2019, CVS/Caremark will be AMERIGROUP Community Care's PBM.

# MCO Assessment of Drug Use Management Programs

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- Per COMAR 10.09.67.04, MDH conducts an annual MCO assessment that covers the following:
  - Formulary Management
  - Generic Substitution
  - Therapeutic Substitution
  - Prior Authorization Timeframes
  - Drug Use Evaluation
  - Disease Management
  - MCO Pharmacy & Therapeutics Committees
- Beginning 2019, the MCOs will also report drug utilization review activities to CMS based on the federal fiscal year

# Pharmacy Appeals Processes

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Contracted pharmacies may file appeals to the MCO or the PBM (depends on delegation arrangement) related to reimbursement and network contracting determinations under COMAR 10.09.71.03

- 90 business days to file an appeal
- 15 business days to appeal if denial is upheld
- All levels must be resolved within 90 business days of initial filing (# of levels vary by MCO)
- If denial is overturned, MCO has 30 days to pay claim
- If pharmacy disagrees with decision, pharmacy may file a case in Circuit Court against the MCO

# Pharmacy Appeals Processes (cont.)

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Members and providers on their behalf may appeal coverage determinations/medical necessity to the MCO or the PBM (depends on delegation arrangement) under COMAR 10.09.71.05

- 60 calendar days to file appeal
- Appeal must be resolved within 30 days of filing
- If expedited, appeal must be resolved no later than 72 hours of filing
- If member disagrees with decision, member may request a State Fair Hearing

# Medicaid Help Line Assistance

- MDH has provider and member hotlines for assisting with MCO interactions
- MDH can override an MCO's decision and order them to pay for a pharmacy benefit for a member, but MCO can appeal MDH's order at the Office of Administrative Hearings
- MCOs are ultimately responsible for defending their coverage and reimbursement decisions

<b>Provider Help Line</b>	<b>HealthChoice Help Line</b>
Assists providers with complaints about reimbursement, member issues, network contracting, etc.	Assists members with filing State Fair Hearings, triages complaints about MCO coverage, denials, access to care, etc.

# Pharmacy Network Adequacy Standards

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COMAR 10.09.66.06 outlines network adequacy standards for provider types, including pharmacies

Geographic Classification	Counties	Standard
<b>Urban</b>	Baltimore City	15 minutes or 10 miles
<b>Suburban</b>	Anne Arundel, Baltimore County, Carroll, Harford, Howard, Montgomery, and Prince George's	30 minutes or 20 miles
<b>Rural</b>	Allegany, Calvert, Caroline, Cecil, Charles, Dorchester, Frederick, Garrett, Kent, Queen Anne's, St. Mary's, Somerset, Talbot, Washington, Wicomico, and Worcester	40 minutes or 30 miles

# HealthChoice MCO Formularies

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- COMAR 10.09.67.04E requires MCO formularies to be at least equivalent to the Medicaid fee-for-service formulary
- Formularies must include covered generic and name brand medications, along with the tier each medication is on
- Drugs must be approved by the FDA, appropriate for medical management, safe, and effective